COLORADO MEDICAID RETURNS NEARLY \$3 MILLION TO TAXPAYERS WITH ACCOUNTABLE CARE COLLABORATIVE PROGRAM

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DENVER – November 8, 2012 – The Department of Health Care Policy and Financing (Department) announced today that the Department reduced Medicaid health expenditures by \$20 million with its Accountable Care Collaborative (ACC) program, and returned nearly \$3 million to state and federal taxpayers. This is the first year of the ACC program, which is designed to improve client health while lowering health costs. The Department brought the program to state lawmakers as a budget reduction item in 2009 with the expectation that the program would not only pay for itself, but reduce taxpayer expenditures in the future.

"We're very pleased with the results and how the program is developing," said Laurel Karabatsos, deputy Medicaid director. "We believed we were making the right estimates to begin with, and we're very pleased that everything is pointing in the right direction."

In the ACC's first year, the Department identified three key performance indicators to measure improvement among those clients enrolled in the ACC, compared to clients not yet enrolled:

Hospital Readmissions: There was an 8.6% reduction in readmissions among ACC clients **Emergency Room Utilization:** Overall, there was a 1% increase among Medicaid clients, but only a .23% increase among ACC enrollees

High Cost Imaging: 3.3% decrease among ACC clients

Executive Director Sue Birch believes when more clients are enrolled, the Department will continue to see positive outcomes. "These early results support our belief that the interventions we're doing are working, and with more time to increase ACC enrollment, we expect to have greater impact," she said.

The ACC program has approximately 132,000 Medicaid clients enrolled which represent about 21% of the total Medicaid population. Going forward Birch says, "We really hope to be able to expand and look at how we can integrate care, improve health outcomes, and ultimately be a healthier Colorado. We anticipate there will be more savings as we enroll more clients into the ACC where their care can be better coordinated."

About the Colorado Department of Health Care Policy and Financing: The department administers the Medicaid and Child Health Plan *Plus* programs as well as a variety of other programs for low-income Coloradans, families, children, pregnant women, the elderly and people with disabilities. The mission of the department is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources. For more information about the department, please visit Colorado.gov/hcpf.